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STATE FOR NEA, NEA/IPA, NEA/PPD

WHITE HOUSE FOR PRESS OFFICE, SIT ROOM
NSC FOR NEA STAFF

SECDEF WASHDC FOR USDP/ASD-PA/ASD-ISA
HQ USAF FOR XXXX
DA WASHDC FOR SASA
JOINT STAFF WASHDC FOR PA
CDR USCENTCOM MACDILL AFB FL FOR POLAD/USIA ADVISOR
COMSOCEUR VAIHINGEN GE FOR PAO/POLAD
COMSIXTHFLT FOR 019

JERUSALEM ALSO ICD
LONDON ALSO FOR HKANONA AND POL
PARIS ALSO FOR POL
ROME FOR MFO

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E.O. 12958: N/A
TAGS: [OPRC](#) [KMDR](#) [IS](#)

SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

- [1](#)1. Mideast
- [1](#)2. Iran
- [1](#)3. Turkey

Key stories in the media:

All media reported on the meeting between PM Ehud Olmert and PA Chairman [President] Mahmoud Abbas. The Jerusalem Post reported that on Tuesday officials from both sides adamantly denied that an agreement on principles dealing with Jerusalem, borders, and refugees was exchanged between the two leaders. Al Jazeera-TV broadcast on Tuesday what it claimed was the two-page document drawn up by the two sides, but Israel dismissed the report as false. Yediot and Makor Rishon-Hatzofe reported that Olmert and Abbas will strive to draft such a document for the international meeting expected in November. Yediot reported that Gideon Saar, head of the Knesset's Likud faction, will direct PM Olmert to bring the agreement to Knesset approval. Yediot reported that Dani Dayan, Chairman of the Council of Jewish Settlements in the Territories, urged right-wing and center Knesset members to work toward toppling the government and thwarting the incipient agreement of principles.

Israel Radio reported that PM Olmert's bureau blamed Hamas for the failure to release abducted IDF Cpl. Gilad Shalit three months ago (four months ago, according to some media). Media reported that the list of 450 prisoners presented by Hamas included the perpetrators of some of the worst bombings of the Al-Aqsa Intifada. The media quoted Gilad's father Noam Shalit as saying at a public rally in Tel Aviv on Tuesday: "The team dealing with the issue of Gilad's return, under the leadership of PM Olmert, has failed."

Ha'aretz reported that Defense Minister Ehud Barak wants to replace permanent checkpoints in the West Bank with mobile ones, thus easing restrictions on Palestinian traffic while still safeguarding Israel's security. However, he believes that such a change cannot be implemented immediately, as the IDF must first train a sufficient number of troops in the new methods, which is likely to take some time.

The Jerusalem Post reported that PA officials told the newspaper on Tuesday that EU security officials have been conducting secret talks with Hamas leaders in the Gaza Strip over the past few weeks. The newspaper cited denial of the report by EU and Israeli officials.

Maariv reported that the IDF has transferred its training of troops to the Negev rather than on the Golan. The newspaper reported that the Israeli defense establishment has reached the conclusion that tensions with Syria are over.

Ha'aretz reported that on Tuesday Ra'anana Dinur, Director General of the Prime Minister's Office, told the Knesset Committee on Foreign Workers that Israel is considering the construction of a border fence in cooperation with Egypt to prevent the passage of terrorists, smugglers, and asylum-seekers between the two countries. Egypt has yet to respond to the proposal. Construction of the fence unilaterally by Israel would cost between 2.5 and 3 billion shekels (approximately USD 605 million to 725 million). Ha'aretz quoted officials in Jerusalem as saying that it was unlikely Egypt would agree to the fence's construction, and that a unilateral move would damage the relations between the two countries. Dinur also told the committee that Israel would take in some 500 refugees from Darfur who had infiltrated from Egypt over the past two years, and that PM Olmert would present a proposal to that effect to the cabinet in mid-September.

Electronic media reported that this morning IDF troops surrounded a house in Qalqilya, saying it was believed to be the hideout of a wanted Palestinian militant. All media reported that a Qassam rocket scored a direct hit on a home in Sderot on Tuesday, lightly injuring one person who was walking by at the time.

Ha'aretz quoted Col. Imran Suleiman, the commander of the Palestinian security forces in Jenin -- where an IDF officer was rescued from a likely lynch mob on Monday -- as saying on Tuesday: "The PA has changed its attitude toward Hamas and ties with Israel, even though Israel refuses to do the same. This is a golden political opportunity to reach an agreement between Israel and the PA, an opportunity that will not repeat itself." Israel Radio cited the London-based Ash-Sharq Al-Awsat as saying today that Hamas is prepared to cede to Chairman Abbas control of PA institutions and bases in the Gaza Strip in return for a renewal of the unity government, reforms in the PLO, and the reinstatement of the Palestinian parliament. The proposal was reportedly given to Abbas

by Hamas senior leaders on Tuesday, but the leadership of Hamas was reluctant to embrace it.

Ha'aretz reported that Israel is considering a Palestinian request to include in its amnesty for Fatah fugitives 26 militants expelled in 2002 after a standoff in the Church of the Nativity in Bethlehem.

The request was made by Chairman Abbas during his meeting with PM Olmert on Tuesday. Some Palestinians included in the request are from Fatah rivals such as Hamas. Makor Rishon-Hatzofe quoted Israeli defense sources as saying that Israeli authorities are likely to approve a request by the PA to allow freedom of movement in the Palestinian territories to Nayef Hawatmeh, the Damascus-based leader of the Democratic Front for the Liberation of Palestine.

Ha'aretz reported that Hizbullah is planning to file a host of lawsuits against Israel over the damage it caused during the Second Lebanon War. Lebanese individuals with dual citizenship will file the suits in the countries where they hold citizenship. Attorney Ibrahim Awada, who heads Hizbullah's legal department, revealed the plan last week on a Syrian television program devoted to "Zionist crimes against Lebanon." He said that each plaintiff would hire a lawyer in the country where he files suit, and that Hizbullah would pay the lawyers' fees. Makor Rishon-Hatzofe reported that Hizbullah is building a new line of fortifications north of the Litani River.

Leading media reported that on Tuesday Israeli mercenary (res.) Col. Yair Klein was apprehended in Russia and that he might be transferred to a jail in Colombia, where he was sentenced to 12 years imprisonment for training drug cartels and illegal paramilitaries.

Yediot quoted the Los Angeles police as saying that members of local Israeli gangs may be behind the shooting in the legs of Israelis residing in the city.

Makor Rishon-Hatzofe reported that in an interview with Palestinian TV, senior Hamas official in Gaza Fathi Hamad threatened to make use of suicide bombers against Abbas.

The Jerusalem Post reported that the participants in Faithlink -- a British-based student interface network -- are all in agreement that coming to Israel and the PA was nothing short of an "eye-opener," both politically and religiously.

Leading media reported that on Tuesday the Israel Prisons Service parole board denied a request by former businessman and convicted traitor Nahum Manbar for his 16-year sentence to be reduced by a third. Manbar was convicted of treason in 1998 for selling military equipment to Iran and found guilty of other security crimes.

Yediot and other media cited International Monetary Fund data concerning the gross national product (GNP) per capita in industrialized nations: In Israel it is USD 31,800 and in the US USD 45,200. The average GNP per capita in the Euro bloc is USD 31,900. The Jerusalem Post and Makor Rishon-Hatzofe said that Israel's GNP per capita is USD 31,767.

The Jerusalem Post reported that two educational NGOs -- one American and one Israeli -- signed an agreement in Jerusalem on Tuesday to join their expertise to reduce the unwarranted placement of non-white children in the US in special education programs. The US-based National Urban Alliance for Effective Education and the International Center for the Enhancement of Learning Potential in Jerusalem signed their partnership agreement at the Knesset and they plan to begin working with children in 20 US cities as soon as possible.

American mogul Sheldon Adelson, the "richest Jew in the world," was quoted as saying in an interview with Globes that he decided to create his new free daily Yisrael Hayom (Israel Today) to counter the influence of Arnon Mozes and Ofer Nimrodi -- the respective owners of Yediot and Maariv -- who Adelson said control Israel.

The Jerusalem Post quoted Israel's Ambassador to Greece Ali Yahya as saying that the Greek public and government are thankful to Israel for the work of dozens of firefighters who came there to help douse the raging fires in the country.

I1. Mideast:

Summary:

Diplomatic correspondent Herb Keinon wrote on page one of the conservative, independent Jerusalem Post: "The major challenge facing both Olmert and Abbas is not producing a paper that will please US Secretary of State Condoleezza Rice, but rather what to do with Hamas -- Iran's new local proxy."

Washington correspondent Shmuel Rosner wrote in the independent, left-leaning Ha'aretz: "The American concern for the welfare of the Vietnamese then, or of the Iraqis today, was not and is not the main consideration determining the public's support for or opposition to a pullout. In Israel, too, the country's policy was not determined by consideration for the welfare of our neighbors."

Far-left Palestinian affairs correspondent Amira Hass wrote in Ha'aretz: "Experience teaches us that [the Palestinians] will accuse two other governments [rather than Hamas's of causing impoverishment]: Israel and the Palestinian Authority in Ramallah, which is increasingly considered to be a lackey of the US."

Block Quotes:

II. "Full Gas in Neutral?"

Diplomatic correspondent Herb Keinon wrote on page one of the conservative, independent Jerusalem Post (8/28): "Even if Olmert and Abbas reach an 'agreement of principles' dealing with the core issues -- Jerusalem, borders, and the refugees -- neither of them is strong enough politically. Olmert and Abbas need to discuss these issues, because that is what the US wants them to do in order to serve its wider Middle East goals of forging a 'moderate coalition' to help out in Iraq and to face off against Iran. But Olmert and Abbas can't implement any agreement on these issues because they cannot deliver their publics.... The major challenge facing both Olmert and Abbas is not producing a paper that will please US Secretary of State Condoleezza Rice, but rather what to do with

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Hamas -- Iran's new local proxy. Any agreement that Olmert and Abbas might work out will be meaningless if Hamas retains its current strength in Gaza."

II. "History in Combat"

Washington correspondent Shmuel Rosner wrote in the independent, left-leaning Ha'aretz (8/28): "It was an important and fascinating speech. An American president was declaring himself a heretic in public by announcing that the US withdrawal from Vietnam was not necessarily the wisest move. Just a year before, in June 2006, he was asked whether he saw a similarity between Vietnam and Iraq and he said, 'No.' Last week, at a national convention of the Veterans of Foreign Wars, he gave a detailed 'Yes'.... The truth ... is that the American concern for the welfare of the Vietnamese then, or of the Iraqis today, was not and is not the main consideration determining the public's support for or opposition to a pullout. In Israel, too, the country's policy was not determined by consideration for the welfare of our neighbors. The withdrawal from Lebanon, like the withdrawal from Vietnam, was imposed by the public. No one has yet formulated a credible explanation for Ariel Sharon's decision to withdraw from Gaza. He certainly didn't do it for the good of the Palestinians."

III. "Three Governments and One Closed Crossing"

Far-left Palestinian affairs correspondent Amira Hass wrote in Ha'aretz (8/28): "Hamas knows how to lead prayers in the mosques but does not know what economics is, explained one textile workshop owner. But it is probably more accurate to say that the Hamas government is convinced that the policy of impoverishment will actually strengthen its position among most of the Palestinian public, and draw it closer to uncompromising ideological positions

and pan-Islamic power centers: Not just because of the many charitable organizations that Hamas established, but also because experience teaches us that people will accuse two other governments: Israel and the Palestinian Authority in Ramallah, which is increasingly considered to be a lackey of the US."

12. Iran:

Summary:

Former foreign minister Shlomo Ben-Ami wrote in the mass-circulation, pluralist Yediot Aharonot: "The best way to undermine Iran's strategy of destabilizing the region is through a comprehensive Israeli-Arab peace, which will be accompanied by massive investments in human development and bring in its wake international financing for building a peace and security system in a Middle East free of nuclear weapons."

Block Quotes:

"A Nuclear Iran: There Are Steps That Can Be Taken"

Former foreign minister Shlomo Ben-Ami wrote in the mass-circulation, pluralist Yediot Aharonot (8/28): "The nightmare of a nuclear Iran haunts Arabs and Israelis alike, but the driving force in the attempt to block the Iranian ambitions consists of the US and Israel. In the America-Iran-Israel triangle lies the root of the problem, as well as the possible solution..... Only in the time of the Rabin government did Israel and Iran reach an open confrontation..... The Israeli-Arab peace process under US sponsorship produced a series of breathtaking achievements -- the Madrid peace conference, the Oslo Accords, the peace between Israel and Jordan, a near agreement with Syria, and establishing Israeli delegations in most of the Arab countries. All these were a nightmare for Iran, which felt increasingly isolated. At this juncture, Israel and Iran -- two forces competing for hegemony in a rapidly changing region -- chose to portray the strategic contest between them in ideological terms.... Iran, more than being an enemy of Israel, was an enemy of the possibility of Israeli-Arab reconciliation.... The best way to undermine Iran's strategy of destabilizing the region is through a comprehensive Israeli-Arab peace, which will be accompanied by massive investments in human development and bring in its wake international financing for building a peace and security system in a Middle East free of nuclear weapons."

13. Turkey:

Summary:

Senior Middle East affairs analyst Zvi Bar'el wrote in the independent, left-leaning Ha'aretz: "The fear of Islamization [in Turkey] is not necessarily real."

Block Quotes:

"Too Early to Talk about Islamization"

Senior Middle East affairs analyst Zvi Bar'el wrote in the independent, left-leaning Ha'aretz (8/28): "With the election of [Abdullah] Gul as president, the impression might be created that Turkey has completed the crossing of secular lines and is about to strike out Ataturk's ideology. But the fear of Islamization is not necessarily real. It looks as if the continuity of a policy in

which the 'Islamists' have engaged so far can be expected. During the past five years it has been in power, the Justice and Development Party has made every effort to blur its religious character; neither does it present itself as an Islamist party with a religious agenda. The party failed every time it tried to promote religious issues -- either because of pressure from the army or due to the understanding that the Turkish public, in spite of having granted the party 47 percent of its votes, is a secular public.... Anyway, the party's victory also shows that there is no real stable political alternative to it."

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